

restore the public confidence. Beyond that, it is my determination that we not do anything prohibited by law or a good sense of propriety and ethics, and I am sure that is as the country would want it to be.

I believe that frequent appearances before your committee and the Senate committee are a help to me in that regard and help us to stay in tune with the country and the people and their attitudes and perhaps some of the errors of the past are more related to a sense of isolation from the mainstream of America. I think it is just going to take patience and time and all of these things that you have mentioned and I have added to here.

Mr. BORRISON. With more specific attention to the budget, itself, did you experience any administrative or managerial difficulties as you completed your submission of the budget with the placement of the NFIP budget in piecemeal form within the DOD budget? What managerial or administrative problems did you have to the extent that you might feel free to discuss it in a public session?

Admiral TURNER. Let me first ask the real budget expert of the intelligence community to try that one, please. Bill, what troubles did you have?

Mr. KYRIAKAS. This year we did institute zero based budgeting. We did have excellent cooperation from all of the organizational elements which have components in the national foreign intelligence program. I would say in summary we had very little difficulty this year in coming up with the national foreign intelligence program in an orderly manner and in a manner which allowed very close scrutiny of all of the facets of the budget.

This year we have had a very smooth exercise and you will be looking at that budget in the near future.

Admiral TURNER. I have not felt inhibitions or problems resulting from the fact that our budget, instead of just appearing in one place in one open forum, is divided up and placed in the defense budget, Mr. Burlison. I haven't found it a problem.

Mr. BORRISON. We have been aware that perhaps DOD runs into some difficulties. For example, at times the President or OMB will impose an across-the-board reduction in the Defense budget applied on a percentage basis, thus the entire budget is reduced by, for example, 2 percent, but the NFIP line items are protected or fenced.

Thus the rest of Defense in effect loses the additional resources in protecting the intelligence budget. Will you comment on this problem and any improvement that might be possible if budget disclosure is made?

Admiral TURNER. I suppose if budget disclosure is made it may make it a little simpler for people when applying 2 percent across-the-board to subtract out whatever it is for intelligence and realize what they are in fact going to save by that, or, if they have a target, they can divide into the actual known intelligence portion of the Defense budget and come up with a percentage that will be appropriate.

Overall, I don't think intelligence is the only thing that gets fenced in situations like this. You frequently find that foreign military aid or special communications programs or other things will also be fenced. So I think it is a generic problem and not a unique one.